

**STATE OF ARIZONA  
CITIZENS CLEAN ELECTIONS COMMISSION  
CAMPAIGN ENFORCEMENT PROCEEDINGS**

	)	
	)	MUR: No. 04 - 0043
In the Matter of:	)	
	)	
Peggy Toomey Hammann,	)	SETTLEMENT AGREEMENT
	)	
Respondent.	)	
	)	
	)	
	)	

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Pursuant to Arizona Administrative Code ("A.A.C.") R2-2025, the Citizens Clean Elections Commission ("Commission") and Peggy Toomey Hammann, a 2004 participating candidate for State Representative, District 3, ("Respondent") agree to a full and final settlement of the matters contained in the Commission's November 2, 2005 Order and Notice of Appealable Agency Action ("Order") and hereby enter into this public administrative Settlement Agreement ("Agreement") in the manner described below.

1. The Commission and Respondent agree that Respondent violated the Citizens Clean Elections Act ("Act"), A.R.S § 16-940 *et seq.*, and the Citizens Clean Elections Rules ("Rules") as follows:

a. Respondent's adjusted primary election spending limit was \$17,558.34;

b. Respondent's adjusted general election spending limit was \$11,320.00;

c. Respondent wrote checks on September 2, 2004 for \$50.00 and on October 28, 2004 for \$152.00 that were returned due to insufficient funds in her campaign account;

d. As a result, Respondent violated A.R.S. § 16-941(A)(4) by exceeding her general election spending limit;

1 e. On October 12, 2004, Respondent used campaign funds to pay a  
2 \$50.00 late filing fee to the Secretary of State;

3 f. As a result, Respondent violated A.R.S § 16-948 by using her  
4 campaign account to pay fines or civil penalties;

5 g. On November 1, 2004, Respondent received matching funds in the  
6 amount of \$528.34, but did not report either the receipt of the funds or how the funds  
7 were spent;

8 h. As a result, Respondent has violated and continues to violate  
9 A.R.S. § 16-913 and A.A.C. R2-20-109;

10 i. The Order assessed a civil penalty of \$3,576.68.

11 2. Respondent agrees to pay to the Commission, in full and final settlement  
12 of all claims, the sum of \$1,000.00 (one thousand dollars), in three monthly installments  
13 as follows:

14 a. Respondent shall pay \$400.00 on January 3, 2006;

15 b. Respondent shall pay \$300.00 on February 1, 2006; and

16 c. Respondent shall pay \$300.00 on March 1, 2006.

17 3. Payments shall be made by certified check or money order payable to the  
18 Citizens Clean Elections Fund and delivered to the Citizens Clean Elections  
19 Commission, 1616 West Adams, Suite 110, Phoenix, Arizona, 85007.

20 4. The Commission shall not commence any legal action against  
21 Respondent to collect the claim so long as Respondent is not in default.

22 5. Respondent agrees that she shall be in default of this Agreement in the  
23 event any of the following conditions exist:

24 a. Respondent fails to make the payments referred to in paragraph 2  
25 above within five (5) days after the due date of said payments; or

b. Respondent files a petition under the bankruptcy laws or any  
creditors of Respondent files any petition under said laws against Respondent.

1           6.       Respondent waives any right she may have under A.R.S. §41-1092,  
2 including the right to a hearing or appeal in this matter, and agrees with the Commission  
3 to an informal settlement of this matter.

4           7.       The Commission may waive any condition of default without waiving any  
5 other condition of default and without waiving its rights to full, timely future performance  
6 of the conditions waived.

7           8.       No delay, omission or failure by the Commission to exercise any right or  
8 power hereunder shall be construed to be a waiver or consent of any breach of any of  
9 the terms of this Agreement by Respondent.

10          9.       A default by Respondent to this Agreement will make the total balance of  
11 \$3,576.68, as set out in the Commission's Order of November 2, 2005, due, to include  
12 applicable penalties, costs, fees and/or accrued interest, at the legal rate of ten percent  
13 (10%) per annum pursuant to A.R.S. § 44-1201(A), commencing 30 (thirty) days from  
14 the entry of this Agreement.

15          10.      In the event Respondent breaches the terms of this agreement and legal  
16 action is necessary to enforce collection, Respondent understands and agrees that the  
17 Commission shall be entitled to costs and reasonable attorneys' fees of thirty-five  
18 percent (35%) of the unpaid balance of the amounts set out in paragraph 9 as  
19 authorized by A.R.S. § 41-191.03.

20          11.      This agreement shall be construed under the laws of the State of Arizona.  
21 Respondent agrees that the Arizona Superior Court or appropriate Justice Court in the  
22 City of Phoenix, County of Maricopa, State of Arizona has subject matter jurisdiction  
23 and venue.

24          12.      In the event Respondent is married, it is agreed that the funds referred to  
25 herein that were paid to her benefited this marital community. As such, the marital  
community is liable for the total liabilities.

        13.      This Agreement shall be made public.

14. Respondent agrees that she will keep the Commission apprised of her current residence address and telephone number and any subsequent changes.

15. In the event that any paragraph or provision hereof shall be ruled unenforceable, all other provisions hereof shall be unaffected thereby.

16. This agreement shall not be subject to the Rule of Construction against the drafting party.

17. This agreement shall not be modified or amended except in a writing signed by both parties hereto.

Accordingly, the Commission agrees that all proceedings commenced by the Commission against Respondent be terminated and the matter be closed upon final payment of the settlement amount. This agreement is subject to final approval of the Commission during its December 14, 2005 meeting.

ACCEPTED AND ORDERED this \_\_\_\_ day of December 2005.

By: \_\_\_\_\_  
 Marcia Busching, Chairperson  
 Citizens Clean Elections Commission

Peggy Toomey Hamman	Date
Candidate for State Representative, District 3, during 2004 Election	

Original Agreement filed this  
\_\_\_\_ day of December 2005 with:

Genevra Richardson  
Campaign Finance Manager  
Citizens Clean Elections Commission  
1616 West Adams, Suite 110  
Phoenix, AZ 85007

Copy sent by Federal Express this  
 \_\_\_\_ day of December 2005 to:

Peggy Toomey Hammann  
c/o Democratic Party Office

910 N Central Avenue  
Phoenix, AZ 85012

By: \_\_\_\_\_  
460517